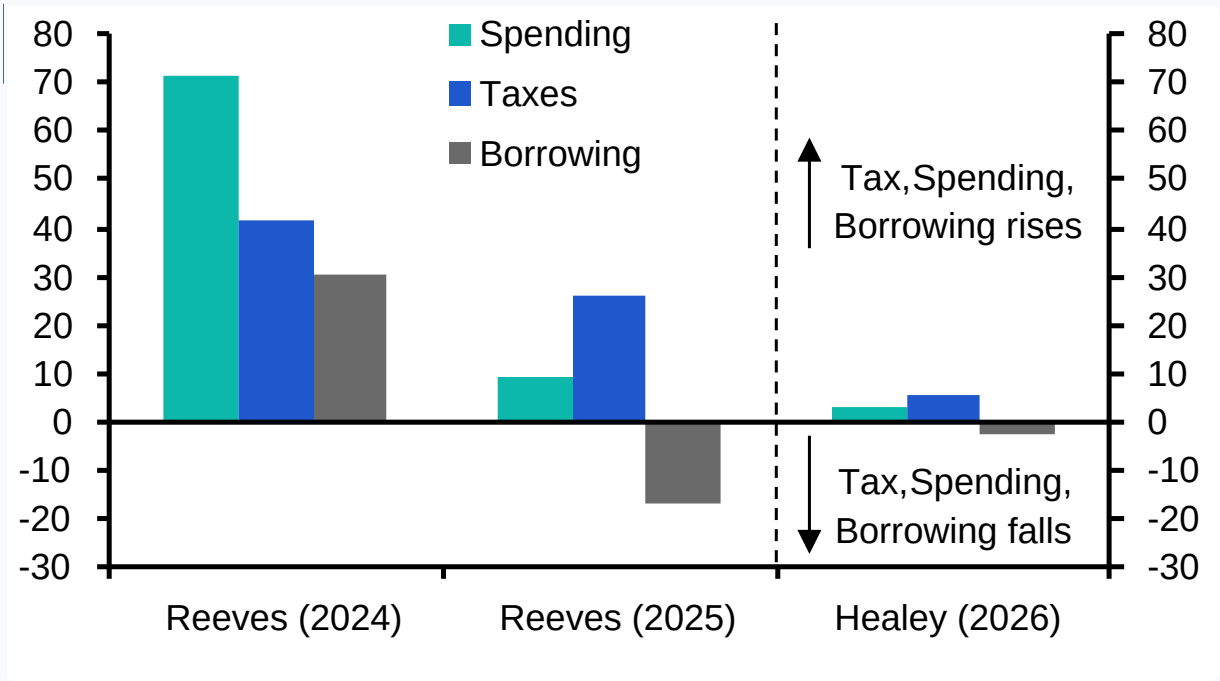
| 18th August 2026

CAPITAL ECONOMICS



The Burnham economy

Fiscal constraints, growth challenges



UK ECONOMICS FOCUS

UK Budget Response: Fiscal credibility preserved, but difficult decisions deferred

The Budget revealed only a small slippage in the plans to reduce the budget deficit and stabilise the debt to GDP ratio. Further slippage next year or more tax hikes are likely. Even so, this Budget...

28th October 2026 · 14 mins read

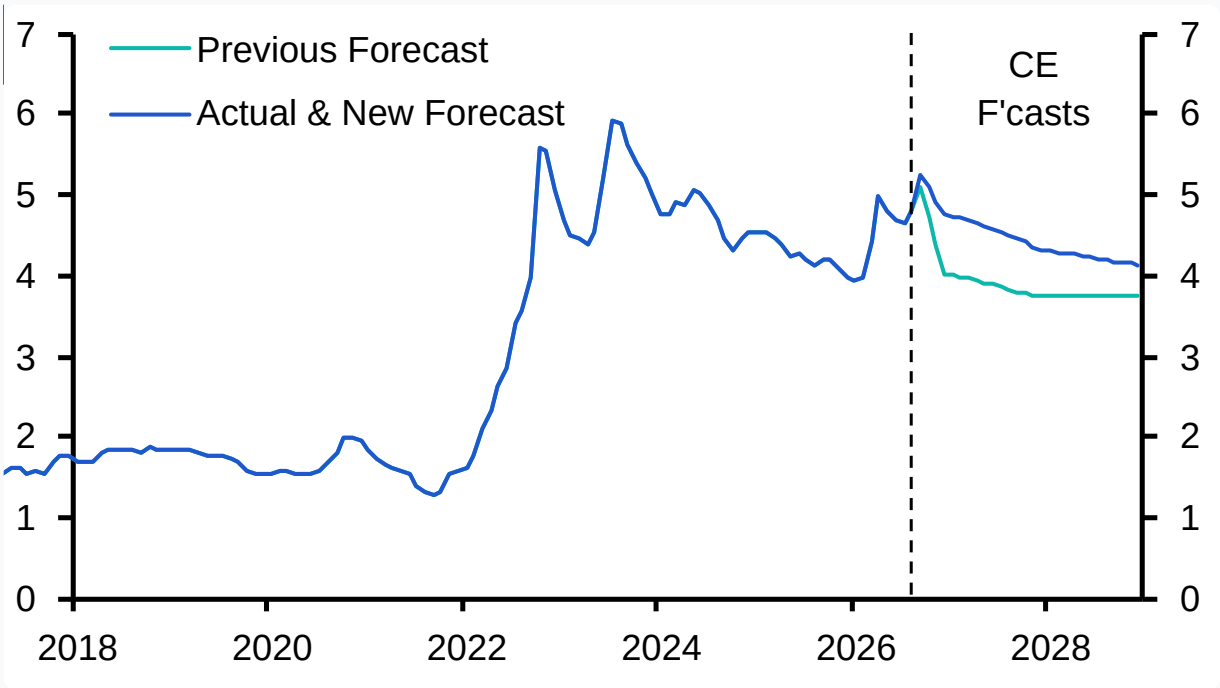


UK ECONOMICS FOCUS

UK Budget 2026 Preview - Unfinished fiscal business

We think the Chancellor, John Healey, will opt for a compromise Budget on Wednesday 28th October, with limited implications for the economy and the markets. But this just delays the difficult...

12th October 2026 · 18 mins read

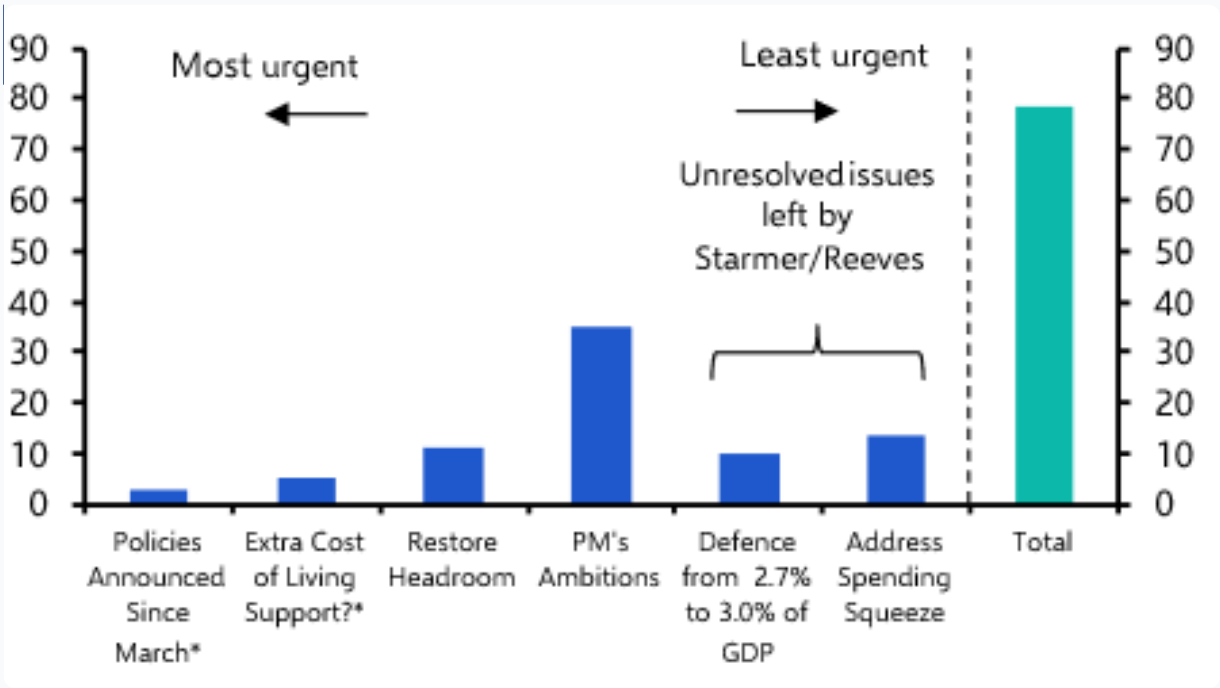


UK HOUSING MARKET UPDATE

Housing headwinds grow despite "Your First Home" scheme

We suspect the “Your First Home” scheme announced by the Prime Minster over the weekend will boost both housing transactions and housing starts from 2027. But this effect will probably be more than...

28th September 2026 · 3 mins read



UK ECONOMICS UPDATE

Small, medium or big, the Budget is unlikely to spark growth

Regardless of whether the Chancellor, John Healey, opts for a small, medium or big Budget, economic growth is unlikely to be much stronger over the next few years. Our hunch is that a medium-sized...

27th August 2026 · 6 mins read



UK ECONOMICS UPDATE

What taxes could Burnham raise to fund his policy ambitions?

With Labour MPs unlikely to stomach big spending cuts and the markets unlikely to tolerate big increases in borrowing, higher taxes perhaps worth up to 0.8% of GDP may do the heavy lifting in funding...

10th August 2026 · 5 mins read

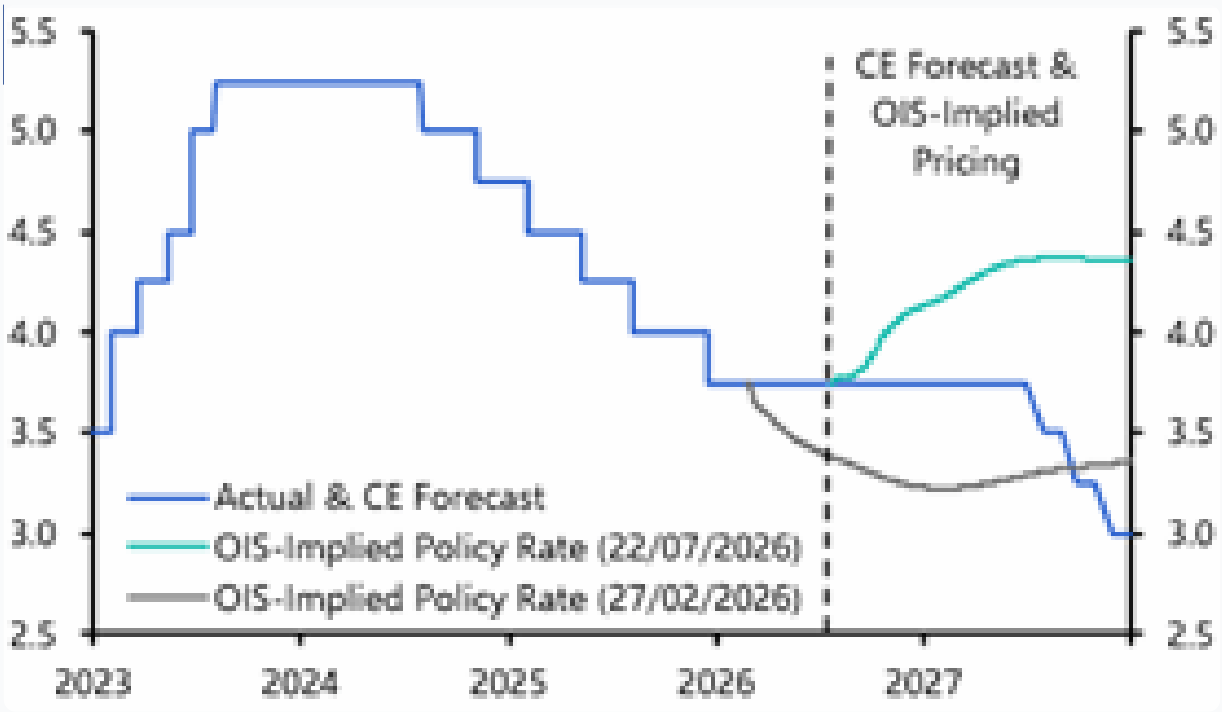


UK ECONOMICS UPDATE

Burnham’s ambitions will soon collide with fiscal reality

The PM has so far outlined ambitious plans that might cost over £45bn (1.5% of GDP). But market constraints and his commitment not to hike the big three taxes means his ambitions will soon collide...

29th July 2026 · 4 mins read

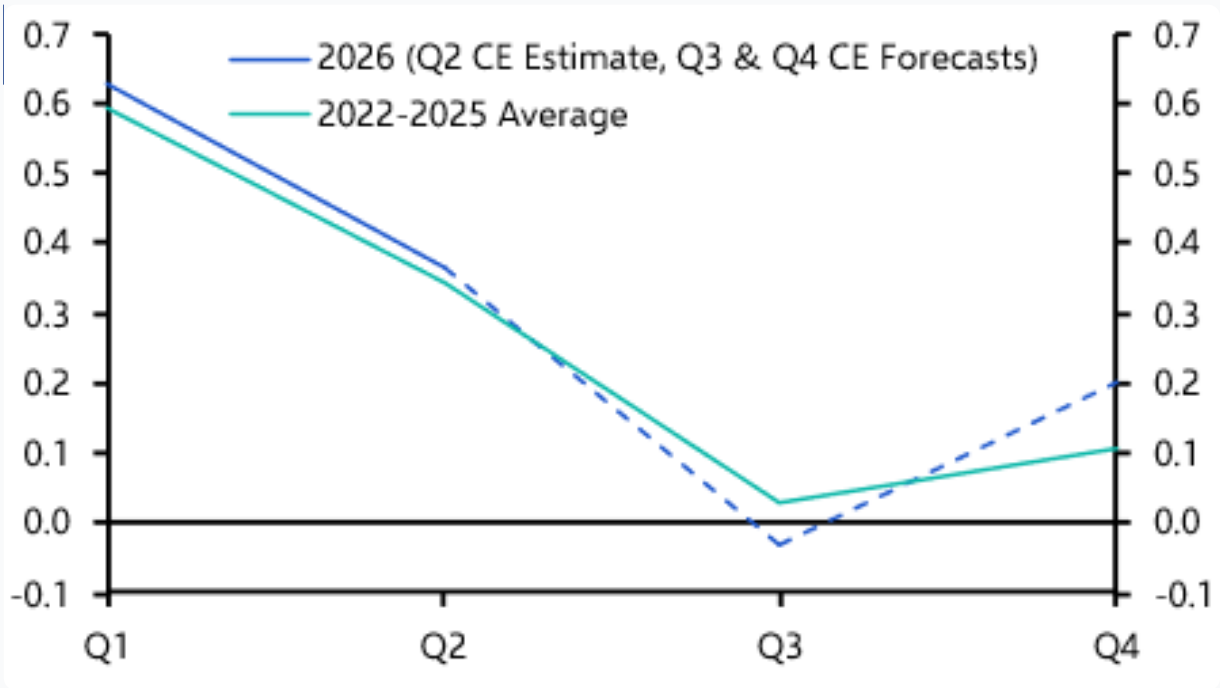


CAPITAL DAILY

Burnham’s Gilt market luck may already have run out

While recent economic data in the UK have painted a fairly favourable picture for the new Prime Minister, the resurgence of energy prices and upwards pressure on long-term government bond yields...

22nd July 2026 · 5 mins read

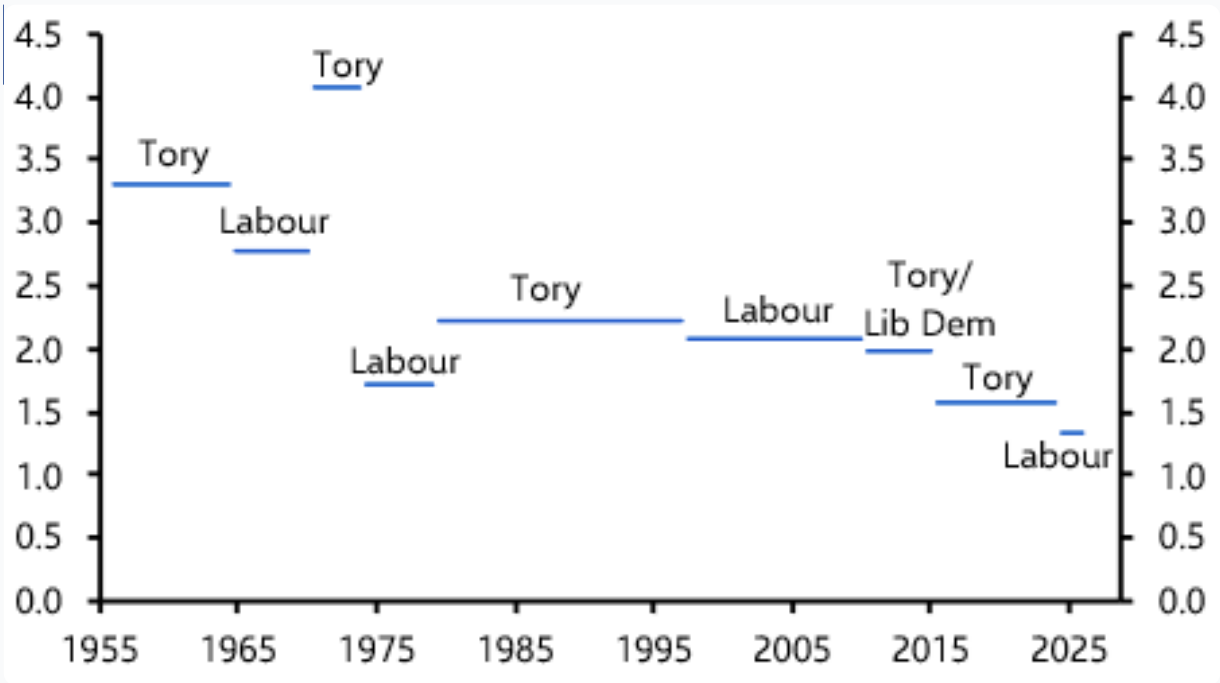


UK ECONOMICS WEEKLY

Burnham inherits economic resilience that won’t last

The recent resilience of the UK economy is unlikely to last in the second half of the year when the full effects of higher energy prices are felt. Further ahead, Andy Burnham is unlikely to achieve a...

17th July 2026 · 10 mins read

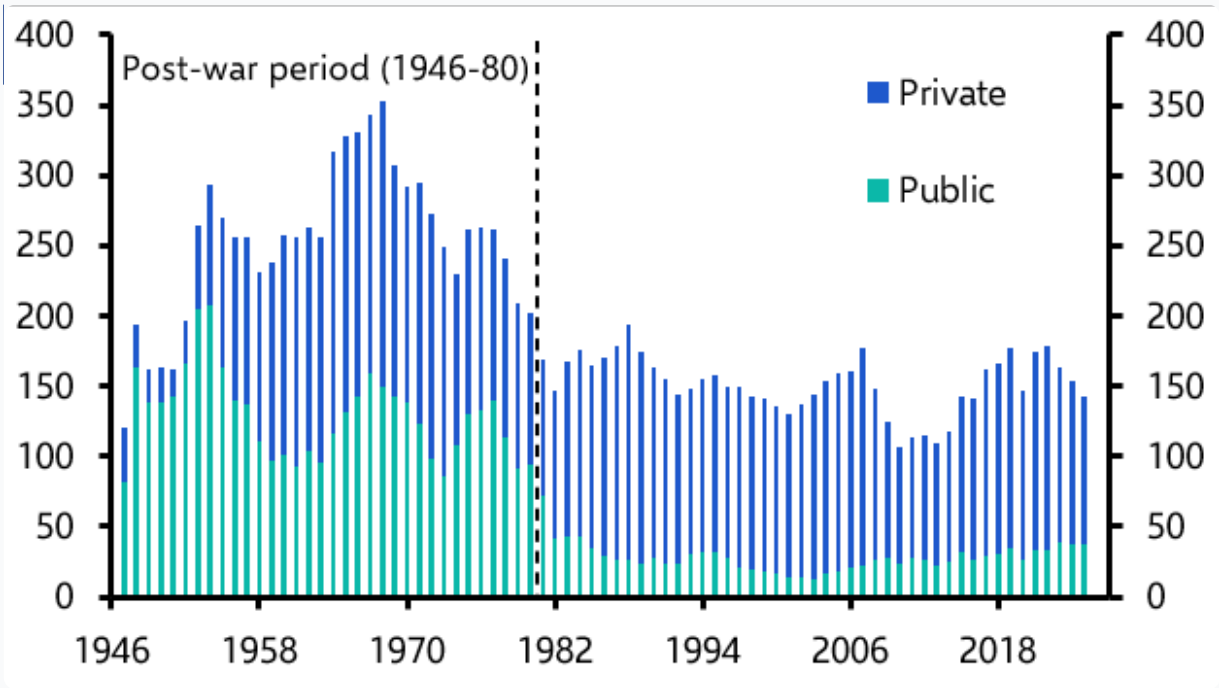


UK ECONOMICS FOCUS

Why Burnham will struggle to revive UK growth

Andy Burnham is unlikely to significantly boost the economy's sustainable growth rate, partly because it is hard to do and he's unlikely to have long to do it, but also because his diagnosis of the...

15th July 2026 · 15 mins read

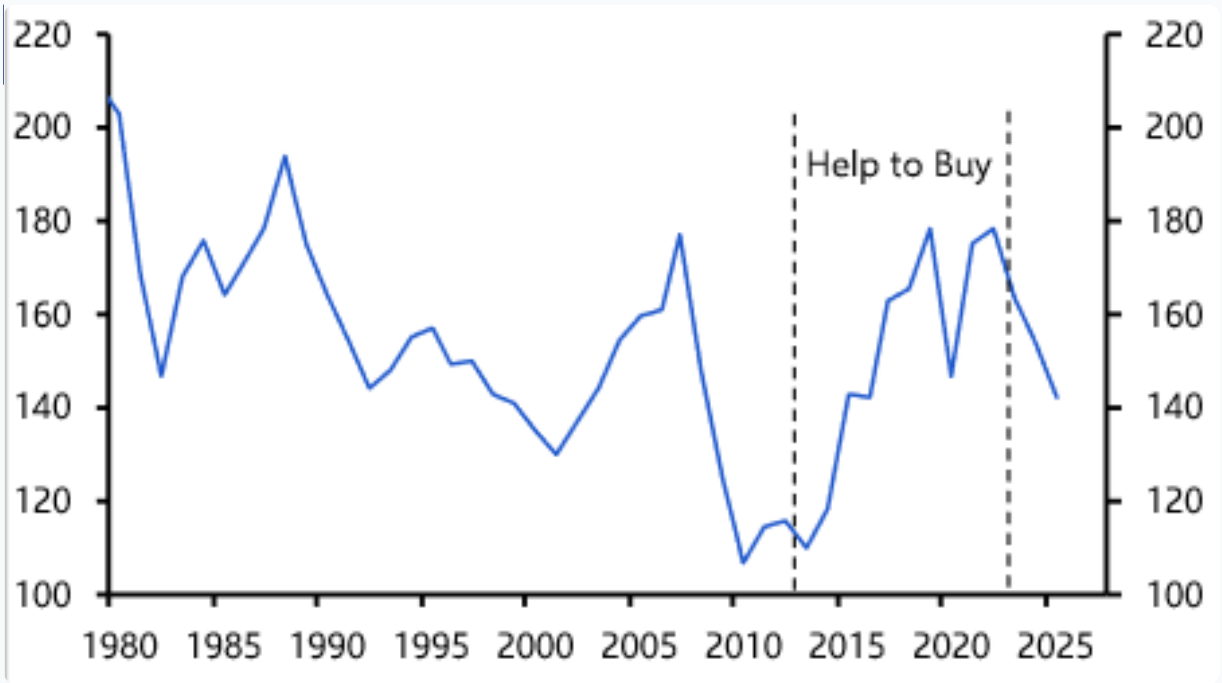


UK HOUSING MARKET UPDATE

Council house building unlikely to be as big as Burnham promises

Andy Burnham’s plans to deliver a big increase in council house building to post-Second World War levels will be expensive and would almost certainly require a chunky rise in public borrowing. The...

2nd July 2026 · 3 mins read



UK HOUSING MARKET UPDATE

Reintroducing Help to Buy wouldn’t solve housing’s problem

While a new Help to Buy scheme would stimulate homebuilding in the near term, it’s not a sustainable solution to low housing supply. The government would be better off easing some of the structural...

29th July 2026 · 3 mins read



UK ECONOMICS

UK Fiscal Headroom Monitor

An interactive guide to the impact of market interest rate expectations on the fiscal policy space available to the Chancellor.



EVENT

UK Drop-In: The Burnham government – will policy ambition collide with economic reality?

21st July 2026, 2:00PM BST

From "the biggest council housebuilding programme since the post-war period" to "the biggest rebalancing of power our country has seen", Andy Burnham, the UK's next Prime Minister, has proclaimed...